

1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF NEW YORK  
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4 PFF MANAGEMENT LLC,  
5 Plaintiff,

6 v. 16 CV 9139 (PGG)

7 OJSC SBERBANK OF RUSSIA, et al., Conference  
8 Defendants.

9 New York, N.Y.  
10 February 27, 2018  
11 10:30 a.m.

12 Before:

13 HON. PAUL G. GARDEPHE

14 District Judge

15  
16 APPEARANCES

17  
18 GREENBERG TRAURIG LLP  
19 Attorneys for Plaintiff  
BY: CAROLINE J. HELLER

20 DEBEVOISE & PLIMPTON  
21 Attorneys for Sberbank defendants  
BY: WILLIAM H. TAFT V  
22 JOHN S. KIERNAN

23 BLANKROME  
24 Attorneys for Sberbank defendants and Aleksey Bazarnov  
BY: RICK ANTONOFF  
25 EVAN J. ZUCKER

1 APPEARANCES

2  
3 K&L GATES LLP  
4 Attorneys for Sberbank defendants  
5 BY: JOANNA A. DIAKOS

6 MORGAN LEWIS & BOCKIUS LLP  
7 Attorneys for Defendants Pramsuyazbank and PJSC  
8 BY: JOHN A. VASSALLO, III

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10 WATSON FARLEY & WILLIAMS LLP  
11 Attorneys for Defendant Sergey Kublitskiy  
12 BY: JOHN G. KISSANE

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1 (Case called)

2 THE COURT: This case concerned allegations that a  
3 Russian businessman and his wife who were majority shareholders  
4 in a Russian granite company were wrongfully forced out of  
5 their ownership of that enterprise. Their claims have been  
6 assigned to the plaintiff in this case PPF Management LLC.

7 There are two matters that I need to address this  
8 morning. First IS the defendants' claim that I lack subject  
9 matter jurisdiction because the complaint pleads that the  
10 plaintiff is a citizen of Delaware. It also pleads that one of  
11 the defendants, Sberbank CIV USA, is a Delaware corporation.  
12 Secondly, plaintiff's counsel Greenberg Traurig has moved to  
13 withdraw. Those are the two matters that I need to address.

14 Let me begin with subject matter jurisdiction. As I  
15 indicated, complaint pleads in paragraphs 12 and 42 that the  
16 plaintiff is a citizen of Delaware. It pleads in paragraph 35  
17 that defendant Sberbank CIV USA, Inc. is a Delaware  
18 corporation. It appears to me that there is a defect as to  
19 subject matter jurisdiction that is apparent from the face of  
20 the complaint.

21 Ms. Heller, anything you want to say on that subject?

22 MS. HELLER: No, your Honor.

23 THE COURT: Then I intend to issue an order dismissing  
24 the case for lack of subject matter jurisdiction.

25 With respect to plaintiff's counsel's application to

1 withdraw, for the record, I have received a declaration  
2 indicating that Greenberg Traurig has not been paid since June  
3 12, 2017, it has lost all ability to communicate with its  
4 client. Citing the Timofti declaration paragraphs 3, 5 through  
5 6, 10, and 12 through 15. Accordingly, given these  
6 circumstances, I am granting the motion to withdraw.

7 I have an application from a receiver to request that  
8 Greenberg Traurig be directed to preserve all records of the  
9 case. Ms. Heller, do you have any objection to that  
10 application?

11 MS. HELLER: I have no objection to preserving the  
12 records of the case. I would just note that the request was  
13 also for us to cooperate. Obviously, Greenberg Traurig will  
14 comply with any court directives, also taking into  
15 consideration its obligations to PPF management.

16 THE COURT: I'm not going to direct the firm to  
17 cooperate with the receiver. The bankruptcy court can take  
18 whatever action it deems appropriate. But I am going to order  
19 Greenberg Traurig to preserve all records so that they are  
20 available in case the receiver makes an application to the  
21 bankruptcy court for them to be provided.

22 I know, Ms. Heller, that you have had tremendous  
23 difficulty in communicating with your client, but I'm asking  
24 you to take all steps, all possible steps, to notify your  
25 client of the orders that I am issuing today, the order

1 dismissing the case for lack of subject matter jurisdiction as  
2 well as the order granting your motion to withdraw.

3 MS. HELLER: Yes, your Honor, we will do that.

4 THE COURT: Anything else anyone wants to say?

5 MR. KIERNAN: No, your Honor.

6 (Adjourned)

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